



Rep. Daniel V. Beiser

Filed: 5/20/2013

09800SB2371ham001

LRB098 10401 AMC 46182 a

1 AMENDMENT TO SENATE BILL 2371

2 AMENDMENT NO. _____. Amend Senate Bill 2371 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Video Gaming Act is amended by changing
5 Sections 5, 20, 25, 30, 35, 45, 55, 58, and 60 as follows:

6 (230 ILCS 40/5)

7 Sec. 5. Definitions. As used in this Act:

8 "Board" means the Illinois Gaming Board.

9 "Credit" means one, 5, 10, or 25 cents either won or
10 purchased by a player.

11 "Distributor" means an individual, partnership,
12 corporation, or limited liability company licensed under this
13 Act to buy, sell, lease, or distribute video gaming terminals
14 or major components or parts of video gaming terminals to or
15 from terminal operators.

16 "Terminal operator" means an individual, partnership,

1 corporation, or limited liability company that is licensed
2 under this Act and that owns, services, and maintains video
3 gaming terminals for placement in licensed establishments,
4 licensed truck stop establishments, licensed social clubs,
5 licensed fraternal establishments, or licensed veterans
6 establishments.

7 "Licensed technician" means an individual who is licensed
8 under this Act to repair, service, and maintain video gaming
9 terminals.

10 "Licensed terminal handler" means a person, including but
11 not limited to an employee or independent contractor working
12 for a manufacturer, distributor, supplier, technician, or
13 terminal operator, who is licensed under this Act to possess or
14 control a video gaming terminal or to have access to the inner
15 workings of a video gaming terminal. A licensed terminal
16 handler does not include an individual, partnership,
17 corporation, or limited liability company defined as a
18 manufacturer, distributor, supplier, technician, or terminal
19 operator under this Act.

20 "Manufacturer" means an individual, partnership,
21 corporation, or limited liability company that is licensed
22 under this Act and that manufactures or assembles video gaming
23 terminals.

24 "Supplier" means an individual, partnership, corporation,
25 or limited liability company that is licensed under this Act to
26 supply major components or parts to video gaming terminals to

1 licensed terminal operators.

2 "Net terminal income" means money put into a video gaming
3 terminal minus credits paid out to players.

4 "Video gaming terminal" means any electronic video game
5 machine that, upon insertion of cash, is available to play or
6 simulate the play of a video game, including but not limited to
7 video poker, line up, and blackjack, as authorized by the Board
8 utilizing a video display and microprocessors in which the
9 player may receive free games or credits that can be redeemed
10 for cash. The term does not include a machine that directly
11 dispenses coins, cash, or tokens or is for amusement purposes
12 only.

13 "Licensed establishment" means any licensed retail
14 establishment where alcoholic liquor is drawn, poured, mixed,
15 or otherwise served for consumption on the premises and
16 includes any such establishment that has a contractual
17 relationship with an inter-track wagering location licensee
18 licensed under the Illinois Horse Racing Act of 1975, provided
19 any contractual relationship shall not include any transfer or
20 offer of revenue from the operation of video gaming under this
21 Act to any licensee licensed under the Illinois Horse Racing
22 Act of 1975. Provided, however, that the licensed establishment
23 that has such a contractual relationship with an inter-track
24 wagering location licensee may not, itself, be (i) an
25 inter-track wagering location licensee, (ii) the corporate
26 parent or subsidiary of any licensee licensed under the

1 Illinois Horse Racing Act of 1975, or (iii) the corporate
2 subsidiary of a corporation that is also the corporate parent
3 or subsidiary of any licensee licensed under the Illinois Horse
4 Racing Act of 1975. "Licensed establishment" does not include a
5 facility operated by an organization licensee, an inter-track
6 wagering licensee, or an inter-track wagering location
7 licensee licensed under the Illinois Horse Racing Act of 1975
8 or a riverboat licensed under the Riverboat Gambling Act,
9 except as provided in this paragraph.

10 "Licensed fraternal establishment" means the location
11 where a qualified fraternal organization that derives its
12 charter from a national fraternal organization regularly
13 meets.

14 "Licensed veterans establishment" means the location where
15 a qualified veterans organization that derives its charter from
16 a national veterans organization regularly meets.

17 "Licensed truck stop establishment" means a facility (i)
18 that is at least a 3-acre facility with a convenience store,
19 (ii) with separate diesel islands for fueling commercial motor
20 vehicles, (iii) that sells at retail more than 10,000 gallons
21 of diesel or biodiesel fuel per month, and (iv) with parking
22 spaces for commercial motor vehicles. "Commercial motor
23 vehicles" has the same meaning as defined in Section 18b-101 of
24 the Illinois Vehicle Code. The requirement of item (iii) of
25 this paragraph may be met by showing that estimated future
26 sales or past sales average at least 10,000 gallons per month.

1 "Licensed social club" means a nonprofit location,
2 operating in accordance with and under the tax-exempt status of
3 subdivision 501(c)(4), 501(c)(7), or 501(c)(8) of the Internal
4 Revenue Code, where alcoholic liquor is drawn, poured, mixed,
5 or otherwise served for consumption on the premises.

6 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
7 96-1410, eff. 7-30-10; 96-1479, eff. 8-23-10; 97-333, eff.
8 8-12-11.)

9 (230 ILCS 40/20)

10 Sec. 20. Direct dispensing of receipt tickets only. A video
11 gaming terminal may not directly dispense coins, cash, tokens,
12 or any other article of exchange or value except for receipt
13 tickets. Tickets shall be dispensed by pressing the ticket
14 dispensing button on the video gaming terminal at the end of
15 one's turn or play. The ticket shall indicate the total amount
16 of credits and the cash award, the time of day in a 24-hour
17 format showing hours and minutes, the date, the terminal serial
18 number, the sequential number of the ticket, and an encrypted
19 validation number from which the validity of the prize may be
20 determined. The player shall turn in this ticket to the
21 appropriate person at the licensed establishment, licensed
22 truck stop establishment, licensed social club, licensed
23 fraternal establishment, or licensed veterans establishment to
24 receive the cash award. The cost of the credit shall be one
25 cent, 5 cents, 10 cents, or 25 cents, and the maximum wager

1 played per hand shall not exceed \$2. No cash award for the
2 maximum wager on any individual hand shall exceed \$500.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

4 (230 ILCS 40/25)

5 Sec. 25. Restriction of licensees.

6 (a) Manufacturer. A person may not be licensed as a
7 manufacturer of a video gaming terminal in Illinois unless the
8 person has a valid manufacturer's license issued under this
9 Act. A manufacturer may only sell video gaming terminals for
10 use in Illinois to persons having a valid distributor's
11 license.

12 (b) Distributor. A person may not sell, distribute, or
13 lease or market a video gaming terminal in Illinois unless the
14 person has a valid distributor's license issued under this Act.
15 A distributor may only sell video gaming terminals for use in
16 Illinois to persons having a valid distributor's or terminal
17 operator's license.

18 (c) Terminal operator. A person may not own, maintain, or
19 place a video gaming terminal unless he has a valid terminal
20 operator's license issued under this Act. A terminal operator
21 may only place video gaming terminals for use in Illinois in
22 licensed establishments, licensed truck stop establishments,
23 licensed social clubs, licensed fraternal establishments, and
24 licensed veterans establishments. No terminal operator may
25 give anything of value, including, but not limited to, a loan

1 or financing arrangement, to a licensed establishment,
2 licensed truck stop establishment, licensed social club,
3 licensed fraternal establishment, or licensed veterans
4 establishment as any incentive or inducement to locate video
5 terminals in that establishment. Of the after-tax profits from
6 a video gaming terminal, 50% shall be paid to the terminal
7 operator and 50% shall be paid to the licensed establishment,
8 licensed truck stop establishment, licensed social club,
9 licensed fraternal establishment, or licensed veterans
10 establishment, notwithstanding any agreement to the contrary.
11 A video terminal operator that violates one or more
12 requirements of this subsection is guilty of a Class 4 felony
13 and is subject to termination of his or her license by the
14 Board.

15 (d) Licensed technician. A person may not service,
16 maintain, or repair a video gaming terminal in this State
17 unless he or she (1) has a valid technician's license issued
18 under this Act, (2) is a terminal operator, or (3) is employed
19 by a terminal operator, distributor, or manufacturer.

20 (d-5) Licensed terminal handler. No person, including, but
21 not limited to, an employee or independent contractor working
22 for a manufacturer, distributor, supplier, technician, or
23 terminal operator licensed pursuant to this Act, shall have
24 possession or control of a video gaming terminal, or access to
25 the inner workings of a video gaming terminal, unless that
26 person possesses a valid terminal handler's license issued

1 under this Act.

2 (e) Licensed establishment. No video gaming terminal may be
3 placed in any licensed establishment, licensed veterans
4 establishment, licensed truck stop establishment, licensed
5 social club, or licensed fraternal establishment unless the
6 owner or agent of the owner of the licensed establishment,
7 licensed veterans establishment, licensed truck stop
8 establishment, licensed social club, or licensed fraternal
9 establishment has entered into a written use agreement with the
10 terminal operator for placement of the terminals. A copy of the
11 use agreement shall be on file in the terminal operator's place
12 of business and available for inspection by individuals
13 authorized by the Board. A licensed establishment, licensed
14 truck stop establishment, licensed social club, licensed
15 veterans establishment, or licensed fraternal establishment
16 may operate up to 5 video gaming terminals on its premises at
17 any time.

18 (f) (Blank).

19 (g) Financial interest restrictions. As used in this Act,
20 "substantial interest" in a partnership, a corporation, an
21 organization, an association, a business, or a limited
22 liability company means:

23 (A) When, with respect to a sole proprietorship, an
24 individual or his or her spouse owns, operates, manages, or
25 conducts, directly or indirectly, the organization,
26 association, or business, or any part thereof; or

1 (B) When, with respect to a partnership, the individual
2 or his or her spouse shares in any of the profits, or
3 potential profits, of the partnership activities; or

4 (C) When, with respect to a corporation, an individual
5 or his or her spouse is an officer or director, or the
6 individual or his or her spouse is a holder, directly or
7 beneficially, of 5% or more of any class of stock of the
8 corporation; or

9 (D) When, with respect to an organization not covered
10 in (A), (B) or (C) above, an individual or his or her
11 spouse is an officer or manages the business affairs, or
12 the individual or his or her spouse is the owner of or
13 otherwise controls 10% or more of the assets of the
14 organization; or

15 (E) When an individual or his or her spouse furnishes
16 5% or more of the capital, whether in cash, goods, or
17 services, for the operation of any business, association,
18 or organization during any calendar year; or

19 (F) When, with respect to a limited liability company,
20 an individual or his or her spouse is a member, or the
21 individual or his or her spouse is a holder, directly or
22 beneficially, of 5% or more of the membership interest of
23 the limited liability company.

24 For purposes of this subsection (g), "individual" includes
25 all individuals or their spouses whose combined interest would
26 qualify as a substantial interest under this subsection (g) and

1 whose activities with respect to an organization, association,
2 or business are so closely aligned or coordinated as to
3 constitute the activities of a single entity.

4 (h) Location restriction. A licensed establishment,
5 licensed truck stop establishment, licensed social club,
6 licensed fraternal establishment, or licensed veterans
7 establishment that is (i) located within 1,000 feet of a
8 facility operated by an organization licensee or an inter-track
9 wagering licensee licensed under the Illinois Horse Racing Act
10 of 1975 or the home dock of a riverboat licensed under the
11 Riverboat Gambling Act or (ii) located within 100 feet of a
12 school or a place of worship under the Religious Corporation
13 Act, is ineligible to operate a video gaming terminal. The
14 location restrictions in this subsection (h) do not apply if a
15 facility operated by an organization licensee, an inter-track
16 wagering licensee, or an inter-track wagering location
17 licensee, a school, or a place of worship moves to or is
18 established within the restricted area after a licensed
19 establishment, licensed truck stop establishment, licensed
20 social club, licensed fraternal establishment, or licensed
21 veterans establishment becomes licensed under this Act. For the
22 purpose of this subsection, "school" means an elementary or
23 secondary public school, or an elementary or secondary private
24 school registered with or recognized by the State Board of
25 Education.

26 Notwithstanding the provisions of this subsection (h), the

1 Board may waive the requirement that a licensed establishment,
2 licensed truck stop establishment, licensed social club,
3 licensed fraternal establishment, or licensed veterans
4 establishment not be located within 1,000 feet from a facility
5 operated by an organization licensee, an inter-track wagering
6 licensee, or an inter-track wagering location licensee
7 licensed under the Illinois Horse Racing Act of 1975 or the
8 home dock of a riverboat licensed under the Riverboat Gambling
9 Act. The Board shall not grant such waiver if there is any
10 common ownership or control, shared business activity, or
11 contractual arrangement of any type between the establishment
12 and the organization licensee, inter-track wagering licensee,
13 inter-track wagering location licensee, or owners licensee of a
14 riverboat. The Board shall adopt rules to implement the
15 provisions of this paragraph.

16 (i) Undue economic concentration. In addition to
17 considering all other requirements under this Act, in deciding
18 whether to approve the operation of video gaming terminals by a
19 terminal operator in a location, the Board shall consider the
20 impact of any economic concentration of such operation of video
21 gaming terminals. The Board shall not allow a terminal operator
22 to operate video gaming terminals if the Board determines such
23 operation will result in undue economic concentration. For
24 purposes of this Section, "undue economic concentration" means
25 that a terminal operator would have such actual or potential
26 influence over video gaming terminals in Illinois as to:

1 (1) substantially impede or suppress competition among
2 terminal operators;

3 (2) adversely impact the economic stability of the
4 video gaming industry in Illinois; or

5 (3) negatively impact the purposes of the Video Gaming
6 Act.

7 The Board shall adopt rules concerning undue economic
8 concentration with respect to the operation of video gaming
9 terminals in Illinois. The rules shall include, but not be
10 limited to, (i) limitations on the number of video gaming
11 terminals operated by any terminal operator within a defined
12 geographic radius and (ii) guidelines on the discontinuation of
13 operation of any such video gaming terminals the Board
14 determines will cause undue economic concentration.

15 (j) The provisions of the Illinois Antitrust Act are fully
16 and equally applicable to the activities of any licensee under
17 this Act.

18 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
19 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1410, eff. 7-30-10;
20 96-1479, eff. 8-23-10; 97-333, eff. 8-12-11.)

21 (230 ILCS 40/30)

22 Sec. 30. Multiple types of licenses prohibited. A video
23 gaming terminal manufacturer may not be licensed as a video
24 gaming terminal operator or own, manage, or control a licensed
25 establishment, licensed truck stop establishment, licensed

1 social club, licensed fraternal establishment, or licensed
2 veterans establishment, and shall be licensed to sell only to
3 persons having a valid distributor's license or, if the
4 manufacturer also holds a valid distributor's license, to sell,
5 distribute, lease, or market to persons having a valid terminal
6 operator's license. A video gaming terminal distributor may not
7 be licensed as a video gaming terminal operator or own, manage,
8 or control a licensed establishment, licensed truck stop
9 establishment, licensed social club, licensed fraternal
10 establishment, or licensed veterans establishment, and shall
11 only contract with a licensed terminal operator. A video gaming
12 terminal operator may not be licensed as a video gaming
13 terminal manufacturer or distributor or own, manage, or control
14 a licensed establishment, licensed truck stop establishment,
15 licensed social club, licensed fraternal establishment, or
16 licensed veterans establishment, and shall be licensed only to
17 contract with licensed distributors and licensed
18 establishments, licensed truck stop establishments, licensed
19 social clubs, licensed fraternal establishments, and licensed
20 veterans establishments. An owner or manager of a licensed
21 establishment, licensed truck stop establishment, licensed
22 social club, licensed fraternal establishment, or licensed
23 veterans establishment may not be licensed as a video gaming
24 terminal manufacturer, distributor, or operator, and shall
25 only contract with a licensed operator to place and service
26 this equipment.

1 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.)

2 (230 ILCS 40/35)

3 Sec. 35. Display of license; confiscation; violation as
4 felony.

5 (a) Each video gaming terminal shall be licensed by the
6 Board before placement or operation on the premises of a
7 licensed establishment, licensed truck stop establishment,
8 licensed social club, licensed fraternal establishment, or
9 licensed veterans establishment. The license of each video
10 gaming terminal shall be maintained at the location where the
11 video gaming terminal is operated. Failure to do so is a petty
12 offense with a fine not to exceed \$100. Any licensed
13 establishment, licensed truck stop establishment, licensed
14 social club, licensed fraternal establishment, or licensed
15 veterans establishment used for the conduct of gambling games
16 in violation of this Act shall be considered a gambling place
17 in violation of Section 28-3 of the Criminal Code of 2012.
18 Every gambling device found in a licensed establishment,
19 licensed truck stop establishment, licensed social club,
20 licensed fraternal establishment, or licensed veterans
21 establishment operating gambling games in violation of this Act
22 shall be subject to seizure, confiscation, and destruction as
23 provided in Section 28-5 of the Criminal Code of 2012. Any
24 license issued under the Liquor Control Act of 1934 to any
25 owner or operator of a licensed establishment, licensed truck

1 stop establishment, licensed social club, licensed fraternal
2 establishment, or licensed veterans establishment that
3 operates or permits the operation of a video gaming terminal
4 within its establishment in violation of this Act shall be
5 immediately revoked. No person may own, operate, have in his or
6 her possession or custody or under his or her control, or
7 permit to be kept in any place under his or her possession or
8 control, any device that awards credits and contains a circuit,
9 meter, or switch capable of removing and recording the removal
10 of credits when the award of credits is dependent upon chance.
11 A violation of this Section is a Class 4 felony. All devices
12 that are owned, operated, or possessed in violation of this
13 Section are hereby declared to be public nuisances and shall be
14 subject to seizure, confiscation, and destruction as provided
15 in Section 28-5 of the Criminal Code of 2012. The provisions of
16 this Section do not apply to devices or electronic video game
17 terminals licensed pursuant to this Act. A video gaming
18 terminal operated for amusement only and bearing a valid
19 amusement tax sticker shall not be subject to this Section
20 until 30 days after the Board establishes that the central
21 communications system is functional.

22 (b) (1) The odds of winning each video game shall be posted
23 on or near each video gaming terminal. The manner in which the
24 odds are calculated and how they are posted shall be determined
25 by the Board by rule.

26 (2) No video gaming terminal licensed under this Act may be

1 played except during the legal hours of operation allowed for
2 the consumption of alcoholic beverages at the licensed
3 establishment, licensed social club, licensed fraternal
4 establishment, or licensed veterans establishment. A licensed
5 establishment, licensed social club, licensed fraternal
6 establishment, or licensed veterans establishment that
7 violates this subsection is subject to termination of its
8 license by the Board.

9 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
10 96-1410, eff. 7-30-10; 97-1150, eff. 1-25-13.)

11 (230 ILCS 40/45)

12 Sec. 45. Issuance of license.

13 (a) The burden is upon each applicant to demonstrate his
14 suitability for licensure. Each video gaming terminal
15 manufacturer, distributor, supplier, operator, handler,
16 licensed establishment, licensed truck stop establishment,
17 licensed social club, licensed fraternal establishment, and
18 licensed veterans establishment shall be licensed by the Board.
19 The Board may issue or deny a license under this Act to any
20 person pursuant to the same criteria set forth in Section 9 of
21 the Riverboat Gambling Act.

22 (a-5) The Board shall not grant a license to a person who
23 has facilitated, enabled, or participated in the use of
24 coin-operated devices for gambling purposes or who is under the
25 significant influence or control of such a person. For the

1 purposes of this Act, "facilitated, enabled, or participated in
2 the use of coin-operated amusement devices for gambling
3 purposes" means that the person has been convicted of any
4 violation of Article 28 of the Criminal Code of 1961 or the
5 Criminal Code of 2012. If there is pending legal action against
6 a person for any such violation, then the Board shall delay the
7 licensure of that person until the legal action is resolved.

8 (b) Each person seeking and possessing a license as a video
9 gaming terminal manufacturer, distributor, supplier, operator,
10 handler, licensed establishment, licensed truck stop
11 establishment, licensed social club, licensed fraternal
12 establishment, or licensed veterans establishment shall submit
13 to a background investigation conducted by the Board with the
14 assistance of the State Police or other law enforcement. The
15 background investigation shall include any or all of the
16 following as the Board deems appropriate or as provided by rule
17 for each category of licensure: (i) each beneficiary of a
18 trust, (ii) each partner of a partnership, (iii) each member of
19 a limited liability company, (iv) and each director and officer
20 of a publicly or non-publicly held corporation, (v) each
21 stockholder of a non-publicly held corporation, (vi) each
22 stockholder of 5% or more of a publicly held corporation, or
23 (vii) each stockholder and all stockholders of 5% or more in a
24 parent or subsidiary corporation ~~of a video gaming terminal~~
25 ~~manufacturer, distributor, supplier, operator, or licensed~~
26 ~~establishment, licensed truck stop establishment, licensed~~

1 ~~fraternal establishment, or licensed veterans establishment.~~

2 (c) Each person seeking and possessing a license as a video
3 gaming terminal manufacturer, distributor, supplier, operator,
4 handler, licensed establishment, licensed truck stop
5 establishment, licensed social club, licensed fraternal
6 establishment, or licensed veterans establishment shall
7 disclose the identity of every person, association, trust,
8 corporation, or limited liability company having a greater than
9 1% direct or indirect pecuniary interest in the video gaming
10 terminal operation for which the license is sought. If the
11 disclosed entity is a trust, the application shall disclose the
12 names and addresses of the beneficiaries; if a corporation, the
13 names and addresses of all stockholders and directors; if a
14 limited liability company, the names and addresses of all
15 members; or if a partnership, the names and addresses of all
16 partners, both general and limited.

17 (d) No person may be licensed as a video gaming terminal
18 manufacturer, distributor, supplier, operator, handler,
19 licensed establishment, licensed truck stop establishment,
20 licensed social club, licensed fraternal establishment, or
21 licensed veterans establishment if that person has been found
22 by the Board to:

23 (1) have a background, including a criminal record,
24 reputation, habits, social or business associations, or
25 prior activities that pose a threat to the public interests
26 of the State or to the security and integrity of video

1 gaming;

2 (2) create or enhance the dangers of unsuitable,
3 unfair, or illegal practices, methods, and activities in
4 the conduct of video gaming; or

5 (3) present questionable business practices and
6 financial arrangements incidental to the conduct of video
7 gaming activities.

8 (e) Any applicant for any license under this Act has the
9 burden of proving his or her qualifications to the satisfaction
10 of the Board. The Board may adopt rules to establish additional
11 qualifications and requirements to preserve the integrity and
12 security of video gaming in this State.

13 (f) A non-refundable application fee shall be paid at the
14 time an application for a license is filed with the Board in
15 the following amounts:

- 16 (1) Manufacturer \$5,000
- 17 (2) Distributor..... \$5,000
- 18 (3) Terminal operator..... \$5,000
- 19 (4) Supplier \$2,500
- 20 (5) Technician \$100
- 21 (6) Terminal Handler \$50

22 (g) The Board shall establish an annual fee for each
23 license not to exceed the following:

- 24 (1) Manufacturer \$10,000
- 25 (2) Distributor..... \$10,000
- 26 (3) Terminal operator..... \$5,000

- 1 (4) Supplier \$2,000
- 2 (5) Technician \$100
- 3 (6) Licensed establishment, licensed truck stop
- 4 establishment, licensed social club, licensed
- 5 fraternal establishment, or licensed veterans
- 6 establishment..... \$100
- 7 (7) Video gaming terminal..... \$100
- 8 (8) Terminal Handler \$50
- 9 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
- 10 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1410, eff. 7-30-10;
- 11 97-1150, eff. 1-25-13.)

12 (230 ILCS 40/55)

13 Sec. 55. Precondition for licensed location. In all cases
 14 of application for a licensed location, to operate a video
 15 gaming terminal, each licensed establishment, licensed social
 16 club, licensed fraternal establishment, or licensed veterans
 17 establishment shall possess a valid liquor license issued by
 18 the Illinois Liquor Control Commission in effect at the time of
 19 application and at all times thereafter during which a video
 20 gaming terminal is made available to the public for play at
 21 that location. Video gaming terminals in a licensed location
 22 shall be operated only during the same hours of operation
 23 generally permitted to holders of a license under the Liquor
 24 Control Act of 1934 within the unit of local government in
 25 which they are located. A licensed truck stop establishment

1 that does not hold a liquor license may operate video gaming
2 terminals on a continuous basis. A licensed fraternal
3 establishment or licensed veterans establishment that does not
4 hold a liquor license may operate video gaming terminals if (i)
5 the establishment is located in a county with a population
6 between 6,500 and 7,000, based on the 2000 U.S. Census, (ii)
7 the county prohibits by ordinance the sale of alcohol, and
8 (iii) the establishment is in a portion of the county where the
9 sale of alcohol is prohibited. A licensed fraternal
10 establishment or licensed veterans establishment that does not
11 hold a liquor license may operate video gaming terminals if (i)
12 the establishment is located in a municipality within a county
13 with a population between 8,500 and 9,000 based on the 2000
14 U.S. Census and (ii) the municipality or county prohibits or
15 limits the sale of alcohol by ordinance in a way that prohibits
16 the establishment from selling alcohol.

17 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10;
18 97-594, eff. 8-26-11.)

19 (230 ILCS 40/58)

20 Sec. 58. Location of terminals. Video gaming terminals
21 must be located in an area restricted to persons over 21 years
22 of age the entrance to which is within the view of at least one
23 employee, who is over 21 years of age, of the establishment in
24 which they are located. The placement of video gaming terminals
25 in licensed establishments, licensed truck stop

1 establishments, licensed social clubs, licensed fraternal
2 establishments, and licensed veterans establishments shall be
3 subject to the rules promulgated by the Board pursuant to the
4 Illinois Administrative Procedure Act.

5 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

6 (230 ILCS 40/60)

7 Sec. 60. Imposition and distribution of tax.

8 (a) A tax of 30% is imposed on net terminal income and
9 shall be collected by the Board.

10 (b) Of the tax collected under this Section, five-sixths
11 shall be deposited into the Capital Projects Fund and one-sixth
12 shall be deposited into the Local Government Video Gaming
13 Distributive Fund.

14 (c) Revenues generated from the play of video gaming
15 terminals shall be deposited by the terminal operator, who is
16 responsible for tax payments, in a specially created, separate
17 bank account maintained by the video gaming terminal operator
18 to allow for electronic fund transfers of moneys for tax
19 payment.

20 (d) Each licensed establishment, licensed truck stop
21 establishment, licensed social club, licensed fraternal
22 establishment, and licensed veterans establishment shall
23 maintain an adequate video gaming fund, with the amount to be
24 determined by the Board.

25 (e) The State's percentage of net terminal income shall be

1 reported and remitted to the Board within 15 days after the
2 15th day of each month and within 15 days after the end of each
3 month by the video terminal operator. A video terminal operator
4 who falsely reports or fails to report the amount due required
5 by this Section is guilty of a Class 4 felony and is subject to
6 termination of his or her license by the Board. Each video
7 terminal operator shall keep a record of net terminal income in
8 such form as the Board may require. All payments not remitted
9 when due shall be paid together with a penalty assessment on
10 the unpaid balance at a rate of 1.5% per month.

11 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

12 Section 10. The Criminal Code of 2012 is amended by
13 changing Sections 28-1 and 28-1.1 as follows:

14 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

15 Sec. 28-1. Gambling.

16 (a) A person commits gambling when he or she:

17 (1) knowingly plays a game of chance or skill for money
18 or other thing of value, unless excepted in subsection (b)
19 of this Section;

20 (2) knowingly makes a wager upon the result of any
21 game, contest, or any political nomination, appointment or
22 election;

23 (3) knowingly operates, keeps, owns, uses, purchases,
24 exhibits, rents, sells, bargains for the sale or lease of,

1 manufactures or distributes any gambling device;

2 (4) contracts to have or give himself or herself or
3 another the option to buy or sell, or contracts to buy or
4 sell, at a future time, any grain or other commodity
5 whatsoever, or any stock or security of any company, where
6 it is at the time of making such contract intended by both
7 parties thereto that the contract to buy or sell, or the
8 option, whenever exercised, or the contract resulting
9 therefrom, shall be settled, not by the receipt or delivery
10 of such property, but by the payment only of differences in
11 prices thereof; however, the issuance, purchase, sale,
12 exercise, endorsement or guarantee, by or through a person
13 registered with the Secretary of State pursuant to Section
14 8 of the Illinois Securities Law of 1953, or by or through
15 a person exempt from such registration under said Section
16 8, of a put, call, or other option to buy or sell
17 securities which have been registered with the Secretary of
18 State or which are exempt from such registration under
19 Section 3 of the Illinois Securities Law of 1953 is not
20 gambling within the meaning of this paragraph (4);

21 (5) knowingly owns or possesses any book, instrument or
22 apparatus by means of which bets or wagers have been, or
23 are, recorded or registered, or knowingly possesses any
24 money which he has received in the course of a bet or
25 wager;

26 (6) knowingly sells pools upon the result of any game

1 or contest of skill or chance, political nomination,
2 appointment or election;

3 (7) knowingly sets up or promotes any lottery or sells,
4 offers to sell or transfers any ticket or share for any
5 lottery;

6 (8) knowingly sets up or promotes any policy game or
7 sells, offers to sell or knowingly possesses or transfers
8 any policy ticket, slip, record, document or other similar
9 device;

10 (9) knowingly drafts, prints or publishes any lottery
11 ticket or share, or any policy ticket, slip, record,
12 document or similar device, except for such activity
13 related to lotteries, bingo games and raffles authorized by
14 and conducted in accordance with the laws of Illinois or
15 any other state or foreign government;

16 (10) knowingly advertises any lottery or policy game,
17 except for such activity related to lotteries, bingo games
18 and raffles authorized by and conducted in accordance with
19 the laws of Illinois or any other state;

20 (11) knowingly transmits information as to wagers,
21 betting odds, or changes in betting odds by telephone,
22 telegraph, radio, semaphore or similar means; or knowingly
23 installs or maintains equipment for the transmission or
24 receipt of such information; except that nothing in this
25 subdivision (11) prohibits transmission or receipt of such
26 information for use in news reporting of sporting events or

1 contests; or

2 (12) knowingly establishes, maintains, or operates an
3 Internet site that permits a person to play a game of
4 chance or skill for money or other thing of value by means
5 of the Internet or to make a wager upon the result of any
6 game, contest, political nomination, appointment, or
7 election by means of the Internet. This item (12) does not
8 apply to activities referenced in items (6) and (6.1) of
9 subsection (b) of this Section.

10 (b) Participants in any of the following activities shall
11 not be convicted of gambling:

12 (1) Agreements to compensate for loss caused by the
13 happening of chance including without limitation contracts
14 of indemnity or guaranty and life or health or accident
15 insurance.

16 (2) Offers of prizes, award or compensation to the
17 actual contestants in any bona fide contest for the
18 determination of skill, speed, strength or endurance or to
19 the owners of animals or vehicles entered in such contest.

20 (3) Pari-mutuel betting as authorized by the law of
21 this State.

22 (4) Manufacture of gambling devices, including the
23 acquisition of essential parts therefor and the assembly
24 thereof, for transportation in interstate or foreign
25 commerce to any place outside this State when such
26 transportation is not prohibited by any applicable Federal

1 law; or the manufacture, distribution, or possession of
2 video gaming terminals, as defined in the Video Gaming Act,
3 by manufacturers, distributors, and terminal operators
4 licensed to do so under the Video Gaming Act.

5 (5) The game commonly known as "bingo", when conducted
6 in accordance with the Bingo License and Tax Act.

7 (6) Lotteries when conducted by the State of Illinois
8 in accordance with the Illinois Lottery Law. This exemption
9 includes any activity conducted by the Department of
10 Revenue to sell lottery tickets pursuant to the provisions
11 of the Illinois Lottery Law and its rules.

12 (6.1) The purchase of lottery tickets through the
13 Internet for a lottery conducted by the State of Illinois
14 under the program established in Section 7.12 of the
15 Illinois Lottery Law.

16 (7) Possession of an antique slot machine that is
17 neither used nor intended to be used in the operation or
18 promotion of any unlawful gambling activity or enterprise.
19 For the purpose of this subparagraph (b)(7), an antique
20 slot machine is one manufactured 25 years ago or earlier.

21 (8) Raffles when conducted in accordance with the
22 Raffles Act.

23 (9) Charitable games when conducted in accordance with
24 the Charitable Games Act.

25 (10) Pull tabs and jar games when conducted under the
26 Illinois Pull Tabs and Jar Games Act.

1 (11) Gambling games conducted on riverboats when
2 authorized by the Riverboat Gambling Act.

3 (12) Video gaming terminal games at a licensed
4 establishment, licensed truck stop establishment, licensed
5 social club, licensed fraternal establishment, or licensed
6 veterans establishment when conducted in accordance with
7 the Video Gaming Act.

8 (13) Games of skill or chance where money or other
9 things of value can be won but no payment or purchase is
10 required to participate.

11 (c) Sentence.

12 Gambling is a Class A misdemeanor. A second or subsequent
13 conviction under subsections (a) (3) through (a) (12), is a Class
14 4 felony.

15 (d) Circumstantial evidence.

16 In prosecutions under this Section circumstantial evidence
17 shall have the same validity and weight as in any criminal
18 prosecution.

19 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;
20 96-1203, eff. 7-22-10; 97-1108, eff. 1-1-13.)

21 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

22 Sec. 28-1.1. Syndicated gambling.

23 (a) Declaration of Purpose. Recognizing the close
24 relationship between professional gambling and other organized
25 crime, it is declared to be the policy of the legislature to

1 restrain persons from engaging in the business of gambling for
2 profit in this State. This Section shall be liberally construed
3 and administered with a view to carrying out this policy.

4 (b) A person commits syndicated gambling when he or she
5 operates a "policy game" or engages in the business of
6 bookmaking.

7 (c) A person "operates a policy game" when he or she
8 knowingly uses any premises or property for the purpose of
9 receiving or knowingly does receive from what is commonly
10 called "policy":

11 (1) money from a person other than the bettor or player
12 whose bets or plays are represented by the money; or

13 (2) written "policy game" records, made or used over
14 any period of time, from a person other than the bettor or
15 player whose bets or plays are represented by the written
16 record.

17 (d) A person engages in bookmaking when he or she knowingly
18 receives or accepts more than five bets or wagers upon the
19 result of any trials or contests of skill, speed or power of
20 endurance or upon any lot, chance, casualty, unknown or
21 contingent event whatsoever, which bets or wagers shall be of
22 such size that the total of the amounts of money paid or
23 promised to be paid to the bookmaker on account thereof shall
24 exceed \$2,000. Bookmaking is the receiving or accepting of bets
25 or wagers regardless of the form or manner in which the
26 bookmaker records them.

1 (e) Participants in any of the following activities shall
2 not be convicted of syndicated gambling:

3 (1) Agreements to compensate for loss caused by the
4 happening of chance including without limitation contracts
5 of indemnity or guaranty and life or health or accident
6 insurance;

7 (2) Offers of prizes, award or compensation to the
8 actual contestants in any bona fide contest for the
9 determination of skill, speed, strength or endurance or to
10 the owners of animals or vehicles entered in the contest;

11 (3) Pari-mutuel betting as authorized by law of this
12 State;

13 (4) Manufacture of gambling devices, including the
14 acquisition of essential parts therefor and the assembly
15 thereof, for transportation in interstate or foreign
16 commerce to any place outside this State when the
17 transportation is not prohibited by any applicable Federal
18 law;

19 (5) Raffles when conducted in accordance with the
20 Raffles Act;

21 (6) Gambling games conducted on riverboats when
22 authorized by the Riverboat Gambling Act; and

23 (7) Video gaming terminal games at a licensed
24 establishment, licensed truck stop establishment, licensed
25 social club, licensed fraternal establishment, or licensed
26 veterans establishment when conducted in accordance with

1 the Video Gaming Act.

2 (f) Sentence. Syndicated gambling is a Class 3 felony.

3 (Source: P.A. 96-34, eff. 7-13-09; 97-1108, eff. 1-1-13.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.".